

Bill includes tax credits for city

By Chris Casteel Washington Bureau **Chris Casteel:** ccasteel@oklahoman.com

WASHINGTON — The tax bill passed by the House this week includes provisions aimed at attracting more investment to parts of Oklahoma City and will help the city finance the restoration of the historic Skirvin Hotel.

The House had passed the provisions earlier this year, but the Senate never took them up. Rep. Ernest Istook, R-Warr Acres, inserted them in the bill that had \$136 billion in tax breaks for businesses. All five Oklahoma House members voted for the bill.

Istook said his language would correct a "technical glitch" in federal law that excluded two census tracts in Oklahoma City from being eligible for New Markets Tax Credits.

A portion of Oklahoma City that includes downtown is in a federal empowerment zone, one of 30 such zones nationwide where special tax incentives and bond financing are available for businesses.

However, two of the census tracts within the city's empowerment zone don't qualify for New Markets Tax Credits because they don't have enough residents to have a federal poverty rate assigned to them.

Istook said Thursday, "That had blocked us from taking full advantage of these two interrelated programs. Current law had created a 'Catch-22' by saying an area wasn't eligible unless it had a 20 percent poverty rate — even if it had zero residents."

Istook's language amends the tax code to make the areas eligible for the tax credits; he said the change could give the city up to \$9 million in tax credits to restore the Skirvin Hotel in downtown Oklahoma City.

Other affected areas, he said, include the Presbyterian Foundation Research Park, the Oklahoma Medical Research Foundation, the Dean A. McGee Eye Institute, the Oklahoma Blood Institute and the First National Center.

Oklahoma City Mayor Mick Cornett said in a news release, "This will significantly enhance the opportunity for economic development in the inner city. It will lead to more high-paying jobs in Oklahoma City in years to come."

Meanwhile, Rep. Frank Lucas, R-Cheyenne, praised provisions in the bill that would give tax credits for wind energy and for oil and gas production from marginal wells, those that produce fewer than 15 barrels a day.

"I have fought for these provisions for years, to be included as an important part of a comprehensive energy policy," Lucas said. "They are probably the two most important provisions for Oklahoma's energy industry being debated in Congress, and I'm pleased to see that they're only a few steps away from becoming law."

Corporate tax bill stalls in Senate

The drive to pass a \$136 billion corporate tax bill hit a roadblock in the Senate on Friday when lawmakers upset about tobacco regulation, new overtime rules and combat pay employed

delaying tactics.

Supporters of the measure said they were confident they have the 60 votes needed to allow the proposal to come up for a vote. However, under Senate rules, that vote may be delayed until Sunday.

The Associated Press